



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

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Fifth District

October 2, 2007

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS:  
LAC+USC MEDICAL CENTER REPLACEMENT PROJECT  
AWARD OF SUPPLEMENTAL AGREEMENT 3  
MANAGEMENT SPECIALTY SERVICES, INC.; AGREEMENT PW-11847  
SPECS. 6550; C.P. 70787  
(FIRST DISTRICT) (3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

Award and authorize the Director of Public Works to execute Supplemental Agreement 3 to Agreement PW-11847 with Management Specialty Services, Inc., to provide continued administrative and document control support services for a \$340,000 not-to-exceed amount.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the recommended action will allow Management Specialty Services, Inc., to continue providing administrative and document control services for the remaining construction duration and project closeout activities related to the LAC+USC Medical Center Replacement Project (Replacement Project).

On June 16, 1998, your Board awarded Agreement PW-11847 to Management Specialty Services, Inc., for \$5,400,000 to provide administrative and document control support services and staff for the Replacement Project. In July 2006, your Board authorized the issuance of Supplemental Agreement 1 for an additional \$900,000 bringing the total current contract value to \$6,300,000 to continue services to June 30, 2007. Supplemental

Agreement 2 was executed through Public Works' delegated authority since only the contract term was extended from June 2007 to September 2007, or until such time as the contract amount would be exhausted. Public Works' project management, along with Management Specialty Services, Inc., has managed these services effectively, and the contract amount will now be exhausted on October 10, 2007.

The construction completion date is now anticipated for December 2007. Although the Outpatient building, Central Plant, Diagnostic and Treatment building and Inpatient Tower building will be substantially completed in the Fall of 2007, support will be required to maintain accurate documentation through the completion of the project, as well as final closeout of the project, including preparing records and documents for the future project audit by the Federal Emergency Management Agency. Supplemental Agreement 3 is forecasted to provide ongoing services through March 2008 at a proportionately reduced service level as each building is completed.

#### **Implementation of Strategic Plan Goal**

This action meets the Countywide Strategic Plan Goal of Service Excellence (Goal 1) by promoting best practices for patient care and the Goal of Fiscal Responsibility (Goal 4) by investing in public health infrastructure.

#### **Consistency with Health Services System Redesign**

The action meets the Department of Health Services' strategic goals by improving the health care provided by the Department of Health Services and enhancing the health of the residents of the County of Los Angeles.

#### **FISCAL IMPACT/FINANCING**

Supplemental Agreement 3 administrative and document control services for a \$340,000 not-to-exceed amount is included in the revised Board approved total project cost of \$899.5 million. There is sufficient appropriation in the 2007-08 Final Capital Projects/Refurbishments Budget - LAC+USC Medical Center Replacement Project (C.P. 70787) for the award of this Supplemental Agreement 3.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

A standard supplemental agreement, in the form previously approved by County Counsel, will be used. The existing agreement with Management Specialty Services, Inc. includes the standard Board-directed clauses that provide for contract termination, renegotiation,

hiring qualified displaced County employees, and consideration of Greater Avenues for Independence (GAIN) and General Relief Opportunities for Work (GROW) program participants, as well as requiring Management Specialty Services, Inc. to comply with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Services Program), and to notify its employees about Board Policy 5.135 (Safely Surrendered Baby Law) and that they may be eligible for the Federal Earned Income Credit.

### **ENVIRONMENTAL DOCUMENTATION**

On June 6, 2000, your Board certified the Environmental Impact Report/Environmental Assessment for the project. Approval of this action does not result in any environmental impacts not already considered in those environmental documents.

### **CONTRACTING PROCESS**

On June 16, 1998, your Board authorized Agreement PW-11847 for \$5,400,000 with Management Specialty Services, Inc. to provide administrative and document control support services for the project. On July 18, 2006, your Board awarded Supplemental Agreement 1 for a \$900,000 not-to-exceed fee. Public Works authorized Supplemental Agreement 2 using delegated authority to extend the contract duration with no change in the contract amount. The recommended supplemental agreement will bring the total agreement amount to \$6,640,000. This supplement is a 6.3 percent increase of the original contract amount.

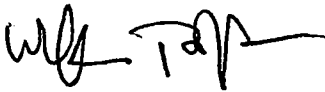
The recommended fees are considered appropriate for the work involved and are consistent with the County's standards for work of similar complexity and scope.

The Honorable Board of Supervisors  
October 2, 2007  
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**CONCLUSION**

Upon approval of the recommendations, please forward an adopted, stamped copy to my office.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'WTF', followed by a horizontal line.

WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:DLW:DL  
JSE:DJT:DKM:z

c: County Counsel  
Department of Public Works  
Department of Health Services  
Department of Public Social Services (GAIN/GROW Program)  
Project Advisory Committee